

## ABSTRACT

Original-quality MPEG coded video is processed to produce reduced-quality MPEG coded video at a reduced bit rate. The processing is based on a scale factor between average frame size of the original-quality MPEG coded video and a desired average frame size of the reduced-quality MPEG coded video. For each Discrete Cosine Transform (DCT) block of each frame, the processing calculates a size of the block of the reduced frame by scaling the original block size by the scale factor, and removes a sufficient number of bits from the original block to obtain substantially the calculated size. In addition, the processing accumulates excess bits when the block size reduction eliminates more bits from a block than are necessary for the desired reduction of the size of the block, and any excess bits are used for processing a number of following blocks.